



## COUNCIL REPORT

Report Date: July 3, 2024  
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Meeting Date: July 8, 2024  
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TO: Mayor's Budget Task Force Implementation Oversight Committee  
FROM: City Clerk  
SUBJECT: Finance Committee and Council Structure Options

### Recommendations

THAT the Mayor's Budget Task Force Implementation Oversight Committee receive for information the report on Finance Committee and Council Structure Options.

### Purpose and Executive Summary

This report responds to a request from the Mayor's Budget Task Force Implementation Oversight Committee for written clarification of a verbal staff presentation given to the Committee meeting of July 2, 2024 (reconvening July 8, 2024). The presentation was about options for creating a Council Finance Committee and related structural changes for Standing Committees of Council, and was requested by the Committee at the June 18, 2024 meeting.

### Council Authority/Previous Decisions

- [Section 159](#) of the *Vancouver Charter* allows Council to provide for such committees as it sees fit, and [Section 160](#) states that all committees of Council shall stand discharged immediately before the first Monday after November 1 in the year of a general local election.
- On [January 23, 2024](#), Council received the Mayor's Budget Task Force Report for information and appointed the Implementation Oversight Committee to bring recommendations back to Council

### City Manager's Comments

The City Manager concurs with the foregoing recommendations.

## Context and Background

Recommendation #5 of the [Mayor's Budget Task Force Report](#) states:

*Appoint a Finance Committee composed of Council members with financial expertise and a strong interest in budgetary matters. This committee would report to Council and engage fully with staff in all aspects of the budget process to ensure that Council's priorities and directions are appropriately reflected. The Committee and staff would be jointly responsible for briefing Council in advance of the budget approval process to ensure that all Council members are confident about the budgetary decisions that had been made, along with the financial and service implications of those decisions. In upholding the Vancouver Charter's requirements that the Council provide budgetary directive in public forums, the Committee would act as a consistent intermediary between Council and City staff, where all decisions related to budgetary matters would remain reserved for Council Chambers in public.*

At the Mayor's Budget Task Force Implementation Oversight Committee (MBTFIOC) meeting on June 18, 2024, the Committee requested that staff provide options at the Committee's next meeting regarding a potential Finance Committee as outlined in the Mayor's Budget Task Force Report. At the MBTFIOC meeting on July 2, 2024, staff presented options for structuring a Finance Committee, possibly as part of a broader restructuring of the Council's Standing Committee system, to improve efficiency and better align Standing Committees' activities with Council's strategic priorities.

Before the meeting recessed, staff were asked to provide written clarification of these restructuring options so the MBTFIOC could better consider them and potentially bring forward a recommendation to Council.

## Discussion

A key consideration for any new committee of Council is whether it will include all members of Council or fewer members, in this case, those with financial expertise and a strong interest in budgetary matters. A Finance Committee with all members of Council would include all perspectives in financial decision-making, which can streamline the process and reduce the need for repeated debates—once in committee and again in Council. It could also prevent perceptions of favoritism or bias in a political party system like Vancouver's. Conversely, a smaller membership ensures that those with the most relevant expertise are directly involved in key financial recommendations, with final decisions made by the entire Council.

Additionally, any consideration of a new committee should include a broader review of how this body will impact the functions, operations, and resources of existing committees, and whether a comprehensive restructuring is needed.

## Current Council Structure

Currently, two of the Standing Committees of Council consist of all 11 Council members. These are the Standing Committee on City Finance and Services and the Standing Committee on Policy and Strategic Priorities. This Committee structure was inherited from previous Councils. There are no terms of reference for either Standing Committee. In practice, Council meetings and meetings of these Standing Committees function similarly. While Standing Committees are chaired by Councillors, rather than the Mayor, public speakers are permitted at each, and there is little differentiation in the subject matter of reports and agenda items directed to Council and

## Standing Committees.

There are three additional Standing Committees with fewer members of Council. These are the Auditor General Committee (5 members), the MBTFIOC (3 members), and the Nomination Subcommittee (3 members). These committees generally function well, with clearly defined terms of reference. However, if a Finance Committee is established, it could potentially incorporate the responsibilities of the MBTFIOC.

Finally, there are civic agencies, which are voluntary bodies that advise the City on projects, priorities, and initiatives. These bodies are categorized by type: Type As are advisory to Council; Type Bs are advisory to staff; Type Cs are created through provincial legislation or by-law, often for planning and development purposes; and Type Ds are time- and scope-limited task forces that advise the Mayor (and through the Mayor, Council).

## Current Council Structure with Added Finance Committee

The simplest approach would be to add a Finance Committee to the existing Council structure. However, this would not be an efficient use of resources, and could create several issues. Adding a Finance Committee without reconsidering the overall system of Council bodies would result in three separate standing committees dealing with budget and finance: the new Finance Committee, the Standing Committee on City Finance and Services, and the MBTFIOC. Simply adding another committee would also strain staff capacity and complicate scheduling for existing Council and Standing Committee meetings.

## Alternate Council Structure

An alternate Council structure could make better use of Standing Committees by aligning them with specific [Council strategic priorities](#) and reassigning responsibilities for more focused recommendations to Council. For example, a new Standing Committee on Finance could handle budget and finance matters, as recommended by the Mayor's Budget Task Force. The existing Standing Committees (City Finance and Services; Policy and Strategic Priorities) could be replaced with a Standing Committee on Housing and Infrastructure, and a Standing Committee on Strategic Priorities, each with clear Terms of Reference (see Fig. 1 below for a visual representation of this structure).

Staff reports could be assigned to each Standing Committee by the City Manager based on subject matter, and all public speakers could be heard by the relevant Standing Committee. In addition, Member's Motions could be considered at the relevant Standing Committee meeting, also based on subject matter. Some of these changes would require amendments to the *Procedure By-law*.

Resource allocation would need to be considered if the overall number of Standing Committees (particularly those comprised of all Council members) increased, adding work for Legislative Operations (City Clerk's Office) staff assigned to meeting coordination. One way to manage this could be by reevaluating and potentially combining and/or reducing the number of Type A Advisory Committees, freeing up staff capacity for Council business and presenting an opportunity to better align Advisory Committees' work with Council's strategic priorities. Like Standing Committees, Advisory Committees were inherited from previous Councils, and their terms of reference were adopted early in this Council's term before specific strategic priorities were established.

A restructuring along these lines would provide for the focus of Council meetings to shift to administrative business such as consideration of Standing Committee recommendations, referral reports, by-laws, and administrative motions, while each Standing Committee would have a clear and focused role in developing recommendations.

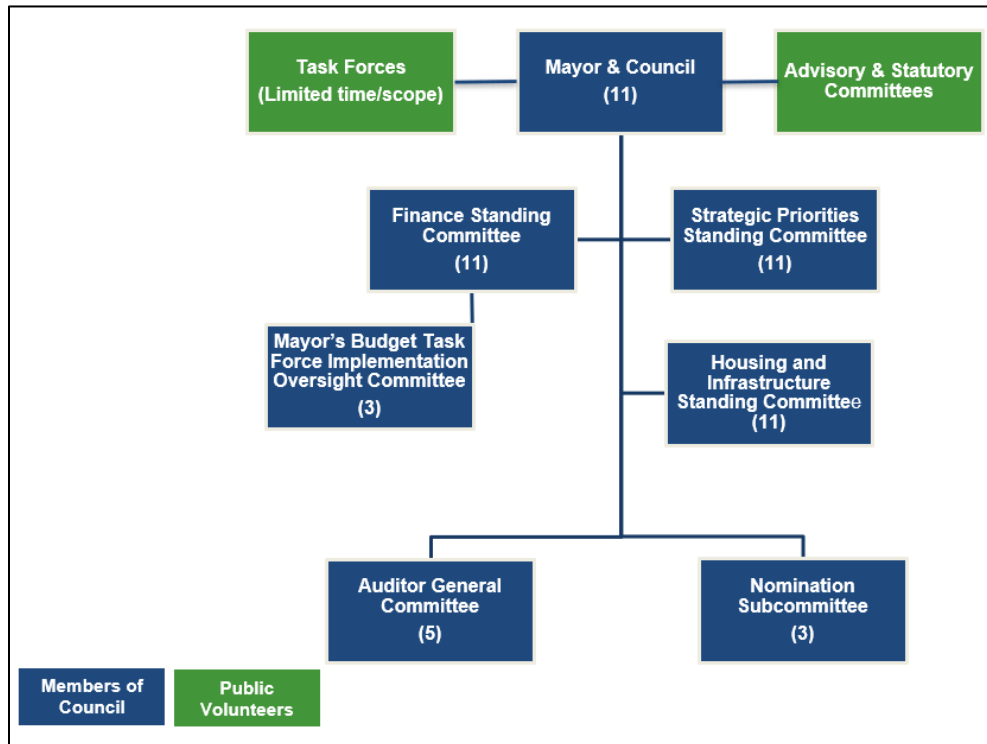


Fig. 1: Diagram showing alternate Council structure

**Next Steps**

Further work by staff, including reporting to Council with draft terms of reference for a Finance Committee and a proposed plan for incorporating such a Committee into an updated Council structure (considering factors like resource allocation, meeting scheduling, and changes to the *Procedure By-law*), will require Council direction. This direction could be initiated through a recommendation from the MBTFIOC to Council made via motion, and brought to the Council meeting of July 23, 2024, for consideration in a transmittal report.

**Financial Implications**

Adding standing committees without simultaneously changing or reducing other meeting management services provided by the Legislative Operations staff would necessitate additional staff resources in the City Clerk’s Office.

**Legal Implications**

This report is for information only, so there are no immediate legal implications.

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